

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 08/15)

Fiscal Year 16-17	Business Unit 0540, 3125, 3940	Department Natural Resources Agency, California Tahoe Conservancy, State Water Resources Control Board	Priority No.
Budget Request Name SB 630 Implementation		Program	Subprogram

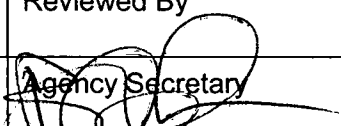
Budget Request Description
Support for Tahoe Regional Compact Implementation (SB 630).

Budget Request Summary

The Natural Resources Agency (CNRA) requests \$150,000 for the bi-state science-based advisory council. The Tahoe Conservancy (Conservancy) requests \$400,000 for aquatic invasive species (AIS) projects and improved public access to sovereign lands. The State Water Board, for the Lahontan Water Board, requests \$400,000 for near shore monitoring of water quality in Lake Tahoe. All funding is proposed to be drawn from the Lake Tahoe Science and Lake Improvement Account (Account) to implement Chapter 762, Statutes of 2013 (SB 630).

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Department Director	Date	 Agency Secretary	Date 1/4/2016

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA	Original Signed by Amanda Martin	Date submitted to the Legislature 1-8-16
------	-------------------------------------	---

BCP Fiscal Detail Sheet

BCP Title: SB 630 Implementation

DP Name: 0540-003-BCP-DP-2015-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services - External	0	150	150	150	150	150
Total Operating Expenses and Equipment	\$0	\$150	\$150	\$150	\$150	\$150
Total Budget Request	\$0	\$150	\$150	\$150	\$150	\$150

Fund Summary

Fund Source - State Operations

1018 - Lake Tahoe Science and Lake Improvement Account, General Fund

	0	150	150	150	150	150
Total State Operations Expenditures	\$0	\$150	\$150	\$150	\$150	\$150
Total All Funds	\$0	\$150	\$150	\$150	\$150	\$150

Program Summary

Program Funding

0320 - Administration of Natural Resources Agency

	0	150	150	150	150	150
Total All Programs	\$0	\$150	\$150	\$150	\$150	\$150

[illegible]

STATE OF CALIFORNIA		Budget Year 2016-17	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	
FISCAL DETAIL WORKSHEET		BU/Entity:	3125
Department Title:	California Tahoe Conservancy	Program ID	2345
Project Title:	SB 630 Implementation	COBCP #:	
Program Category:	8-Environmental Acquisitions and Restoration	Priority:	1
Program Subcategory:	Capital Outlay	MA/Mi:	program
<i>Identify all items which fit into the categories listed below. Attach a detailed list if funding is included in this request. Provide descriptions and summary estimates for items for which you plan to request funding in the future. When possible, identify funding needs by fiscal year (BY+1 through BY+4).</i>			
PROJECT RELATED COSTS		COST	TOTAL
AGENCY RETAINED:			
TOTAL AGENCY RETAINED			0
GROUP 2 EQUIPMENT			
TOTAL GROUP2 EQUIPMENT			0
IMPACT ON SUPPORT BUDGET		COST	TOTAL
ONE-TIME COSTS			
TOTAL SUPPORT ONE-TIME COSTS			0
ANNUAL ONGOING FUTURE COSTS			
TOTAL SUPPORT ANNUAL COSTS			0
ANNUAL ONGOING FUTURE SAVINGS			
TOTAL SUPPORT ANNUAL SAVINGS			0
ANNUAL ONGOING FUTURE REVENUE			
TOTAL SUPPORT ANNUAL REVENUE			0

STATE OF CALIFORNIA		Budget Year 2016-17	
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)		Proj ID:	
SCOPE/ASSUMPTIONS WORKSHEET			
Department Title:	California Tahoe Conservancy	BU/Entity:	3125
Project Title:	SB 630 Implementation	Program ID	2345
Program Category:	8-Environmental Acquisitions and Restoration	COBCP #:	
Program Subcategory:	Capital Outlay	Priority:	1
		MA/MI:	program
<p>Project Specific Proposals: For new projects provide proposed Scope language. For continuing projects provide the latest approved Scope language. Enter Scope language in cell A110.</p>			
<p>Conceptual Proposals: Provide a brief discussion of proposal defining assumptions supporting the level of funding proposed by fiscal year in relation to outstanding need identified for that fiscal year. (Also include scope descriptions for BY+1 through BY+4 in cell A110).</p>			

BCP Fiscal Detail Sheet

BCP Title: SB 630 Implementation

DP Name: 3940-031-BCP-DP-2016-GB

Budget Request Summary

FY16

	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
5340 - Consulting and Professional Services -	0	400	350	350	350	350
Total Operating Expenses and Equipment	\$0	\$400	\$350	\$350	\$350	\$350
Total Budget Request	\$0	\$400	\$350	\$350	\$350	\$350

Fund Summary

Fund Source - State Operations						
1018 - Lake Tahoe Science and Lake	0	400	350	350	350	350
Total State Operations Expenditures	\$0	\$400	\$350	\$350	\$350	\$350
Total All Funds	\$0	\$400	\$350	\$350	\$350	\$350

Program Summary

Program Funding						
3560 - Water Quality	0	400	350	350	350	350
Total All Programs	\$0	\$400	\$350	\$350	\$350	\$350

Analysis of Problem

A. Budget Request Summary Tahoe Conservancy:

Near-Shore Environmental Improvement Activities – The Conservancy will use \$400,000 of the requested funding to continue and complement existing efforts to control aquatic invasive species in the Lake Tahoe Basin. Initial efforts will be directed toward invasive weed abatement projects. Additional future project activities could include projects to protect the endangered Tahoe Yellow Cress, and Environmental Improvement Program projects to acquire and/or improve lakefront public access. If appropriated, the \$400,000 from the Account will be matched by Conservancy funding in a similar amount or funds from another public entity.

The Conservancy will develop a list of proposed projects through a public process seeking input from Tahoe basin stakeholders.

CNRA:

Bi-State Science-Based Advisory Council – Consistent with Chapter 762, Statutes of 2013 (SB 630), California and Nevada have an MOU that created the Tahoe Science Advisory Council (Council). The CNRA will use the requested \$150,000 to support the Council. The Council's mission is to advance a role for science in decision-making by promoting collaboration and prioritization among scientists, citizens, managers, and policymakers working toward a sustainable, healthy, and restored Lake Tahoe ecosystem. The Tahoe Science Advisory Council is not a regulatory agency and does not advocate for or against specific policy and management outcomes. Rather, the council remains neutral and facilitates the integration of unbiased, rigorous science into decision-making.

Lahontan Water Board:

Near-Shore Monitoring – Section 6217.6.1 (c)(2)(B)(ii) of the Public Resources Code (PRC), added by SB 630, authorizes funding from the Account if matching funding for this purpose is provided by the Lahontan Water Board or by another public entity. For more than 20 years, the Lahontan Water Board has invested \$400,000 annually for water quality monitoring at Lake Tahoe. These already-allocated near-shore monitoring resources provide the funding match for the \$400,000 request as required by the law. The additional monies will allow the Lahontan Water Board to expand the established periphyton and phytoplankton monitoring network, increase sampling frequency, and expand the near-shore monitoring program to include additional water quality and biological indicator metrics.

B. Background/History During the past legislative session the Legislature passed, and the Governor signed, SB 630. Among its provisions, the bill establishes the Lake Tahoe Science and Lake Improvement Account (Account). Funded by State Lands Commission (SLC) lease revenues from surface uses for lands in the Tahoe Basin, the fund's allowable purposes include:

- Establishment of a bi-state science-based advisory council, pursuant to a bi-state Memorandum of Agreement between California and Nevada, this was completed February 2015;
- Near-shore environmental improvement program activities, including but not limited to aquatic invasive species (AIS) projects and improved public access to sovereign lands, if matched by the California Tahoe Conservancy or another public entity; and
- Near-shore water quality monitoring, if matched by the Lahontan Regional Water Quality Control Board [Lahontan Water Board]) or another public entity.

Under existing law, the SLC administers, sells, leases, or disposes of public lands owned or controlled by this state. All rental income received for surface uses upon lands under the jurisdiction of the commission is required to be deposited in the General Fund. SB 630 requires rental income from surface uses for lands at Lake Tahoe to be deposited in the Account. The SLC lease revenues began accruing to this account on January 1, 2014. SLC staff estimate the revenue stream for 16-17 at \$1 million.

Analysis of Problem

The Lahontan Water Board, the Nevada Division of Environmental Protection, the Tahoe Regional Planning Agency and the United States Environmental Protection Agency initiated a near-shore evaluation study to better understand current near-shore conditions, assess how best to monitor change in the future, and establish near-shore desired condition and resource management objectives. In response to study findings and growing stakeholder concern about observed near-shore environment changes, the Lahontan Water Board is pursuing a multi-faceted Near-Shore Water Quality Protection Plan that includes developing a functional monitoring plan to track change over time and inform resource management decisions.

In 2013, the Water Board shifted Lake Tahoe monitoring investment priorities to collect additional near-shore-focused data. The current monitoring work includes phytoplankton (microscopic free floating algae) and periphyton (algae attached to rocks and other lake-bottom substrates) sampling to track status and trends of algal growth and composition. The Water Board is working cooperatively with other near-shore management agencies to implement a more comprehensive near-shore monitoring program that will incorporate water chemistry, water clarity, and biological community status monitoring in addition to the parameters that are currently being measured. Monitoring plan implementation will enable the agencies to characterize near-shore environmental conditions, track changes in key environmental indicators, and identify near-shore areas that warrant further investigation.

The additional funding from the Account will provide an initial down payment on expanded near-shore water quality monitoring. This will be a component of a larger, comprehensive monitoring program that will also involve monitoring the effects of climate change, stormwater flows, and tributaries flowing into Lake Tahoe.

Resource History (Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY
Authorized Expenditures				450	600
Actual Expenditures				300	450

C. State Level Considerations

SB 630 declares an agreement between the Governors of the States of Nevada and California covering the implementation of the Tahoe Regional Planning Compact (TRPC) that was jointly announced by the Governors of these states on May 14, 2013. SB 630 also codified the provisions in California, and revised the TRPC to require that, in reviewing and maintaining the plan, the planning commission and the governing body also ensure that the regional plan reflects changing economic conditions. In addition to the goals of SB 630, it is the state's mission to protect and sustain the unique natural resources and recreational opportunities in the Lake Tahoe Basin.

D. Justification

Near-shore water quality monitoring: Existing funds do not satisfy the cost needs of implementing an integrated nearshore monitoring program and investigating causes of specific changes in the Lake Tahoe nearshore. With the requested funding, the Water Board will better be able to meet the Legislature's expectations to track water quality change in Lake Tahoe's nearshore waters. This investment will support the Water Board's ability to respond to observed nearshore change. The Water Board will also be able to document the water quality benefits associated with hundreds of millions of dollars invested in water quality improvement projects at Lake Tahoe and will be able to explain and address the causes of nearshore water quality.

Matching Share Funding: The Lahontan Water Board secured \$200,000 from another funding source to study the causes of increased attached algae in the nearshore. This \$200,000 funding provides match for the requested funds. The additional monies will allow the Lahontan Water Board to expand the established periphyton and phytoplankton monitoring network, increase sampling frequency, and expand the near-shore monitoring program to include additional water quality and biological indicator metrics

Analysis of Problem

Near-shore environmental improvement program activities: The first year of SB 630 funding (14-15 FY) funded, in part, preparation of an AIS Implementation Plan. This plan includes an AIS Action List that will help guide the prioritization, selection, and implementation of projects. This list reflects a three-to-five-year lake-wide strategy to remove invasive species from the near-shore. Some of these projects will locally eradicate invasive plant populations by using proven methods, such as bottom barriers and diver-assisted hand and suction removal, in a phased approach. Other projects focus on other invasive species of concern such as warm water fish or bullfrogs. Currently, activities are underway in near-shore areas near Ski Run Marina/Channel, Lakeside Marina/Beach, Emerald Bay, and the Truckee River Dam. Work will be continued in these areas, with initiation of work in additional areas, such as Fleur de Lac, Meeks Bay, and Taylor and Tallac Creeks. In addition to the species removal work, effectiveness monitoring will also be conducted.

Matching Share Funding: It is anticipated that these funds will be matched by Proposition 1 grants or from other Conservancy funds

E. Outcomes and Accountability

For the 2014-15 fiscal year 3 projects were funded using Lake Tahoe Improvement Account funds. (AIS Implementation Plan, Warm Water Fish Data Collection, Plant Removal) for \$300,000. These projects started in FY 14/15 and will be completed in FY 15/16.

INVASIVE PLANT CONTROL PROJECT:

- Invasive Plant Control Project to control or locally eradicate aquatic invasive plant populations in areas considered "suitable habitat" and infested with submerged aquatic invasive plants around Lake Tahoe. Implementation will be accomplished by using aquatic plant removal methods that have proven effectiveness. Project areas will be selected from the prioritization completed by the Lake Tahoe Aquatic Invasive Species Coordinating Committee (LTAISCC). This phase will further the efforts of previous phases of the project.

WARM WATER FISH DATA COLLECTION PROJECT:

- University of Nevada Reno, will complete a pilot project to test the efficacy of removal methods for controlling warm water fishes, and tracking native species. Since the start of the pilot project, over 7000 lbs of nonnative warm water fish have been removed from the lake. The project will be implemented using mechanical means to collect the fish and lab analysis to determine the life stage of the collected fish. In addition, monitoring and mapping of the fish in the nearshore marinas will occur as well as recommendations for longer term approaches to addressing the non-native warm water fish in Lake Tahoe.

AIS IMPLEMENTATION PLAN:

- TRCD will work with its partner, University of Nevada Reno, to develop an AIS Implementation Plan as identified in the 2014 Lake Tahoe Region Aquatic Invasive Species Management Plan. This implementation plan will emphasize recommended best management practices for controlling each taxa (plant and animal), prioritization by location, and the gaps in knowledge regarding control and risk of not managing these species. This plan will help guide future funding requests as the timing of control can be related to ecological needs. The plan will be peer-reviewed by an independent panel of scientists not currently working the basin. To facilitate this process between the science and management community, a science liaison will assist in cross-dialog to address current control efforts and emerging issues in the basin. The science liaison would attend LTASICC meetings and others as requested to inform on best practices and knowledge gaps related to the control and management of invasive species.
- The Lahontan Water Board contracted the Tahoe Regional Planning Agency to conduct a comprehensive pilot nearshore biological monitoring effort and to monitor water quality including inputs of nutrients from Blackwood Creek and Ward Creek to Lake Tahoe that may impact nearshore quality and habitat changes. Biological monitoring included surveys of aquatic plants, macroinvertebrates, fish and crayfish. Monitoring was conducted by University of Nevada and the report will be finalized winter 2016. Nevada co-funded the biological monitoring. Blackwood Creek and Ward Creek are two of the largest contributors to the Lake Tahoe nearshore. The United States Geological Survey collects nutrient, sediment and flow data from these tributaries. USGS posts the monitoring data on the internet for public use.

Analysis of Problem

- The funding for establishment of a bi-state science-based advisory council will allow the council to incorporate as a not for profit and hire an executive officer and administrator. The executive officer will work with both states to develop a three to five year work plan and budget for council activities. Council charter, by-laws, governance structure, and membership orientation shall be determined over the course of the fiscal year. In addition council activities will include recruiting subject matter experts and provide project oversight.

F. Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
Removal of Invasive Species		3-5 acres	3-5 acres	3-5 acres	3-5 acres	3-5 acres

In addition to invasive species removal, the funds will provide an initial down payment on expanded near-shore water quality monitoring. This larger monitoring program will involve monitoring the effects of climate change, stormwater flows, and tributaries flowing into Lake Tahoe. The current allocation request will be used to fund nearshore stream inputs, monitor nearshore metrics included in the Nearshore Water Quality Protection Plan, investigate climate change influence on near shore conditions, and develop a Nearshore Resource Allocation Plan to prioritize monitoring and science to address priority nearshore management questions.

G. Analysis of All Feasible Alternatives

- Do nothing. While this increases the fund balance, it does nothing to improve lake clarity or remove invasive species at Lake Tahoe.
- Appropriate \$550,000 - \$150,000 to the CNRA for the bi-state science-based advisory council, \$200,000 to the Tahoe Conservancy for aquatic invasive species (AIS) projects and improved public access, and \$200,000 to the Lahontan Water Board for near shore monitoring of water quality in Lake Tahoe. While this increases the fund balance, it does not allow the appropriate agencies to do everything within the existing resources to improve lake clarity and remove invasive species in Lake Tahoe. This will result in less invasive species removal projects and reduced monitoring to verify the effectiveness of efforts to improve clarity of the lake.
- Appropriate \$950,000 from the Lake Tahoe Science and Lake Improvement Account: \$150,000 to CNRA for the bi-state science-based advisory council, \$400,000 to the Tahoe Conservancy for aquatic invasive species (AIS) projects and improved public access, and \$400,000 to the Lahontan Water Board for near shore monitoring of water quality in Lake Tahoe.

H. Recommendation

Option 3. CNRA requests \$150,000 for the bi-state science-based advisory council. The Tahoe Conservancy requests \$400,000 for aquatic invasive species (AIS) projects and improved public access to sovereign. The Lahontan Water Board requests \$400,000 to near shore monitoring of water quality in Lake Tahoe. All funding is proposed to be drawn from the Account to implement SB 630 (Chapter 762, Statutes of 2013).